

1 Statement of Charges. A copy of the Consent Order is attached and incorporated into this order by this
2 reference. The Consent Order was accompanied by a cover letter dated August 13, 2004. The
3 Department served the Consent Order and cover letter dated August 13, 2004 on Respondent
4 Heinrichs on August 16, 2004 by Federal Express overnight delivery.

5 On October 18, 2004, the Department issued a Notice of Intention to Lift Stay and Impose
6 Balance of Fine and Prohibition (Notice) alleging non-compliance by Respondent Heinrichs with
7 certain terms and conditions set forth in the Consent Order. A copy of the Notice is attached and
8 incorporated into this order by this reference. The Notice was accompanied by a copy of the Consent
9 Order and a blank Application for Expedited Adjudicative Hearing for Heinrichs. The Department
10 served the Notice, copy of the Consent Order and blank Application for Expedited Adjudicative
11 Hearing for Heinrichs on Respondent Heinrichs on October 30, 2004 by ABC Legal Services. On
12 November 10, 2004, Respondent Heinrichs filed an Application for Expedited Adjudicative Hearing.

13 On November 15, 2004, the Department made a request to the Office of Administrative
14 Hearings (OAH) to assign an Administrative Law Judge (ALJ) to schedule and conduct an expedited
15 hearing on the Notice. On November 18, 2004, OAH assigned ALJ Christy Gerhart Cufley (ALJ
16 Cufley) to preside over prehearing and hearing proceedings and issue an initial decision. On
17 November 19, 2004, ALJ Cufley issued an Order for Telephonic Prehearing Conference scheduling a
18 prehearing conference on Monday, December 13, 2004 at 1:30 p.m. On December 13, 2004, pursuant
19 to a motion by Respondent Heinrichs, ALJ Cufley issued a letter rescheduling the telephonic
20 prehearing conference for Monday, January 10, 2005 at 9:30 a.m. On January 10, 2005, all parties
21 attended a telephonic prehearing conference during which it was agreed that the hearing would be held
22 January 20, 2005.
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1 On January 20, 2005, the hearing was conducted by ALJ Cufley with all parties in attendance.
2 On January 26, 2005, ALJ Cufley issued Proposed Findings of Fact, Conclusions of Law, and Order
3 (Initial Decision and Order), affirming the Notice of Intention to Lift Stay and Impose Balance of Fine
4 and Prohibition issued by the Department on October 18, 2004. On January 26, 2005, OAH sent the
5 Initial Decision and Order to the address provided by Respondent Heinrichs during the hearing on
6 January 20, 2005.

7 Under RCW 34.05.464 and WAC 10-08-211, Respondent Heinrichs had twenty (20) days
8 from the date the Initial Decision and Order was served to file a Petition for Review of the Initial
9 Decision and Order. Respondent Heinrichs has not filed a Petition for Review.

10 B. Record Presented. The record presented to the Director for his review and for entry of
11 a final decision included the following:
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- 13 1. Statement of Charges, cover letter dated April 15, 2004, and Notice of Opportunity to
14 Defend and Opportunity for Hearing, with documentation of service;
- 15 2. Application for Adjudicative Hearing for Richard Todd Heinrichs;
- 16 3. Consent Order and cover letter dated August 13, 2004, with documentation of service;
- 17 4. Notice of Intention to Lift Stay and Impose Balance of Fine and Prohibition dated
18 October 18, 2004, with documentation of service;
- 19 5. Application for Expedited Adjudicative Hearing for Richard Todd Heinrichs;
- 20 6. Request to OAH for Assignment of Administrative Law Judge;
- 21 7. Notice of Assignment of Administrative Law Judge dated November 18, 2004, with
22 documentation of service;
- 23 8. Order for Telephonic Prehearing Conference dated November 19, 2004, with
24 documentation of service;
- 25 9. Letter Rescheduling Telephonic Prehearing Conference dated December 13, 2004;

10. Pre-Hearing Order dated January 10, 2005, with documentation of service;

11. Proposed Findings of Fact, Conclusions of Law, and Order (Initial Decision and Order) dated January 26, 2005, with documentation of service.

C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.461, the Director hereby adopts the Proposed Findings of Fact, Conclusions of Law, and Order, which is attached hereto.

II. FINAL ORDER

Based upon the foregoing, and the Director having considered the record and being otherwise fully advised, NOW, THEREFORE:

A. IT IS HEREBY ORDERED, That:

1. Respondent Richard Todd Heinrichs pay a fine of \$9,000.00; and
2. Respondent Richard Todd Heinrichs pay an investigative fee of \$621.14; and
3. Respondent Richard Todd Heinrichs pay restitution to Kathryn M. Rawley in the amount of \$4,589.75; and
4. Respondent Richard Todd Heinrichs is prohibited from participating in the conduct of the affairs of any licensed mortgage broker or any mortgage broker exempt from Washington law under RCW 19.146.0201(1)(d) or (f) for ten (10) years from the date of entry of the Consent Order in any capacity, including but not limited to: (1) any financial capacity whether active or passive or (2) as an officer, director, principal, designated broker, employee, or loan originator or (3) any management, control, oversight or maintenance of any trust account(s) in any way related to any residential mortgage transaction or (4) receiving, disbursing, managing or controlling in any way, consumer trust funds in any way related to any residential mortgage transaction.

B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia, Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The

1 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
2 Reconsideration a prerequisite for seeking judicial review in this matter.

3 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the date
4 the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written
5 notice specifying the date by which it will act on a petition.

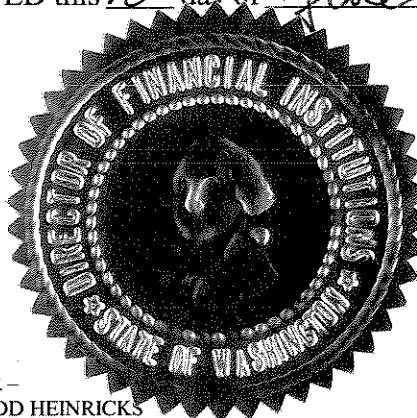
6 C. Stay of Order. The Director has determined not to consider a Petition to Stay the
7 effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial
8 Review made under chapter 34.05 RCW and RCW 34.05.550.

9 D. Judicial Review. Respondent has the right to petition the superior court for judicial
10 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for filing
11 a Petition for Judicial Review, see RCW 34.050.510 and sections following.

12 E. Non-compliance with Order. If you do not comply with the terms of this order, the
13 Department may seek its enforcement by the Office of Attorney General to include the collection of the
14 fines, fees and restitution imposed herein.

15 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for
16 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
17 attached hereto.
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19 DATED this 16th day of June, 2005.



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21 STATE OF WASHINGTON
22 DEPARTMENT OF FINANCIAL INSTITUTIONS

23
24 SCOTT JARVIS
25 DIRECTOR